CIA HISTORICAL REVIEW PROGRAM RELEASE AS SANITIZED

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T/S 78399

MEMORANDIM FOR: The Director

29 June 1954

SUBJECT

t Status of Plans and Action re Guatemala if Revolution is Successful

1. As of 1600, 29 June, according to Mr. Leddy of the Department of State, the following is the status of plans and actions to be taken in regard to Guatemala if the revolution is successful. These are in general based on the list drawn up by State-CIA-Defense group on 18 June.

a. Public Statements

Assistant Secretary of State Holland is following this problem. Leddy stated that they must be very careful until the situation is quite clear. They have not done anything about Senate or House statements.

b. Diplomatic Recognition

They believe it is desirable to have several Central American nations recognize the new government prior to U.S. recognition. Leddy agreed that cables should go to the appropriate Ambassadors alerting them

c. Pending Formal U.S. Recognition

Agreed U.S. should unofficially give new leaders assurances that recognition would be forthcoming. Leddy thought Ambassador Peurifoy could probably handle this; if not, Mr. Wisner should discuss with Mr. Holland the use of some covert channel to accomplish this end.

d. Composition of New Anti-Communist Government

This will be determined by the people on the spot and by events.

e. International Organizations

The sponsorship of the new government will take a little time and must await the completion of the other matters mentioned above.

f. United Fruit Company

This will take time. Leddy said they will probably wait until Mr. Montgomery of the Company returns from Honduras. Leddy said that in the meantime, he hoped the rebel leaders were saying that they would drive a hard bargain with the Company.



g. Military

State is not doing anything about this at present.

h. Economic

Here they need more information as to (1) what funds, if any, the new government will find when it takes over and (2) what is needed. Leddy is going to ask the Ambassador for this information. FOA is working on the future economic problem, but also needs this information.

i. Psychological

The only thing that Leddy had to say regarding this was that they would ask the Ambassador what relief supplies were needed.

RICHARD M. BISSELL, JR.
Special Assistant to the Director
for Planning and Coordination

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